MONTANA LEGISLATIVE HISTORY

Chapter 124 19 75

Bill H _____ S 114 Original bill & history ____C

H. Committee on Labor & Employment Relations		S. Committee on Labor & Employment Relations	
Hearing Date(s) Mar 10	✓ C	Hearing Date(s) Jan 22	✓ C
_____	____C	_____	____C
_____	____C	_____	____C
_____	____C	_____	____C
Date Out Mar 10	✓ C	Jan 22	✓ C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

Senator BILL NO. 114

INTRODUCED BY Mehrens by Request Workmen Comp.

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DIVISION OF WORKMEN'S COMPENSATION TO ORDER INSURERS TO PAY WORKMEN'S COMPENSATION BENEFITS SUBJECT TO A SUBSEQUENT HEARING, AND SUBJECT TO REIMBURSEMENT FOR NONLIABILITY."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. There is a new R.C.M. section numbered 92-617 that reads as follows:

92-617. Payments by insurer prior to a hearing -- reimbursement. If an insurer terminates biweekly compensation benefits and the termination of compensation benefits is disputed by the claimant, the division may, upon written request, order an insurer to pay additional biweekly compensation benefits prior to a hearing; but in no event may the biweekly compensation benefits be ordered to be paid under this section for a period exceeding forty-nine (49) days or for any period subsequent to the date of a hearing. If after a hearing it is held that the insurer was not liable for the compensation payments ordered by the division, the insurer has the right to be reimbursed for such payments by the claimant.

-End-

INTRODUCED BILL

SB 114

Norman Grosfield, of the Division of Workmen's Compensation, appeared before the committee to support this bill. This would allow students to go on and get thier Masters Degree, although most students usually go for thier Bachelors Degree only.

George Wood, and Jim Murry were unable to appear and wish to go on record as being in support of SB 107.

CONSIDERATION OF SENATE BILL NO. 114: Senator Mehrens appeared before the committee to introduce this bill. This bill allows the Division to order an insurer to pay biweekly allowances to a person who has made a claim. This biweekly compensation would be paid prior to the hearing. Under the present law a person cannot get any money from the insurers until the claim is heard.

Norman Grosfield, of the Divsion of Workmen's Compensation appeared before the committee in support of this bill. At the present time the Workmen's Compensation Division cannot order an insurer to pay compensation until after the hearing.

George Wood, and Jim Murry were unable to appear and wish to go on record as being in support of this bill.

Discussion was then held by the committee.

CONSIDERATION OF SENATE BILL NO. 119: Senator Norman appeared before the committee to introduce this bill. This bill is concerned with certain requirements regarding the posting of Sheriff's Notices under Plan 3. The law now requires the sheriff to post a notice in three places on the premises of the employers workplace stating that the division has cancelled their right to operate under plan 3. Now this can be done by a phone call, or at a meeting then the employer gives the notification. This will save needless expense.

Norman Grosfield, of the Division of Workmen's Compensation appeared before the committee in support of this bill. Agreed that this was a waste of time and that this would save expenses for paying the sheriff for time and travel.

Geroge Wood, and Jim Murry were unable to appear and wish to go on record as being in support of this bill.

DISPOSTION OF SENATE BILLS 88, 99, 107, 114, 119: Senator Hazelbaker moved that the package of bills 88, 99, 107, 114, & 119 DO PASS. Motion carried unanimously with Senator Etchart and Senator Blaylock excused.

ADJOURN:

There being no further business, the meeting was adjourned at 10:00 a.m.

Bob Lee

Robert E. Lee, Chairman

ROLL CALL

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

44th LEGISLATIVE SESSION 1975

Date 1-22-75

NAME	PRESENT	ABSENT	EXCUSED
Senator Robert Lee, Chairman	✓		
Senator Richard Smith, V.Chmn.	✓		
Senator Chet Blaylock			✓
Senator Mark Etchart			✓
Senator Frank Hazelbaker	✓		
Senator John Mehrens	✓		
Senator Bill Norman	✓		
Senator S. A. Olson	✓		

Each day attach to minutes

GOVERNOR'S WORKMEN'S COMPENSATION ADVISORY COUNCIL

Mr. Doug Delaney, FARMER RANCHER
Grass Range
Montana 59912

Mr. Bruce Toole, ATTORNEY
Electric Building
Billings, Montana 59101

Mr. George Wood, ADJUSTER
Compensation Adjusters, Inc.
P. O. Box 2899
Missoula, Montana 59801

Mr. James Murry, EXECUTIVE SECRETARY
Montana State AFL-CIO
Box 1176
Helena, Montana 59601

Mr. Jack Harper, ATTORNEY
2210 North Roberts
Helena, Montana 59601

Mr. John Sheehy, ATTORNEY
Electric Building
Billings, Montana 59101

MEMORANDUM

A BILL ALLOWING THE DIVISION OF WORKMEN'S COMPENSATION TO ORDER INSURERS TO PAY BENEFITS SUBJECT TO A SUBSEQUENT HEARING

The Governor's Workmen's Compensation Advisory Council drafted the proposed bill allowing the Division to order an insurer to pay biweekly compensation benefits prior to a hearing. Under the present Workmen's Compensation Act, the Division cannot order an insurance company to take action prior to a hearing. Under the present system, if a dispute arises concerning compensation payments, the Division must set the case for hearing and must hear testimony before an order directing compensation payments can be made.

The Advisory Council believes that the Division should have the authority in appropriate cases to order payments before the hearing. There are instances when disputes arise concerning compensation payments and a certain time lag exists between the request for a hearing and an order awarding compensation subsequent to the hearing. Thus, at the present time, a claimant in desperate need of workmen's compensation benefits may have to wait several weeks before the issues involved in the dispute can be resolved.

The Advisory Council felt that if a claimant could adequately illustrate upon written request that he was in desperate need of compensation benefits, compensation benefits could be initiated upon an order of the Division prior to a hearing.

The bill allows an insurer to recover such payments from the claimant if it is ultimately found after a hearing that the insurer was not liable for the payments.

SENATE COMMITTEE LABOR AND EMPLOYMENT RELATIONS

Date 1-22-75 SENATE Bill No. 88, 99, 107, 114, 119 Time 9:50

NAME	YES	NO
Senator Robert Lee, Chairman	✓	
Senator Richard Smith, Vice Chairman	✓	
Senator Chet Blaylock EXCUSED		
Senator Mark Etchart EXCUSED		
Senator Frank Hazelbaker	✓	
Senator John Mehrens	✓	
Senator Bill Norman	✓	
Senator S. A. Olson	✓	

Mary Anne Choquette
Secretary

Robert E. Lee
Chairman

Motion: Senator Hazelbaker moved that the package of bills 88, 99 107, 114, & 119 DO PASS. Motion carried unanimously with Senator Etchart and Senator Blaylock excused.

(include enough information on motion--put with yellow copy of committee report.)

MINUTES OF THE MEETING
LABOR & EMPLOYMENT RELATIONS
HOUSE OF REPRESENTATIVES
March 10, 1975

A meeting of the Labor & Employment Relations Committee was held on Monday, on the above date at 10:30 a.m. in Room 108 of Capitol Building, with Chairman Kimble presiding. Representatives Dassinger and Ellis were excused with all other members present.

The following bills were heard in this order: SB 340
SB 58
SB 114
SB 385
SB 119

SB 340--SPONSOR: Pat Goodover, district 22, introduced this act by request of Floyd McDowell, Superintendent of MT School for the Deaf & Blind. Mr. McDowell said the bill only clarifies a possible conflict between the state classification and pay plan, with the existing statutes. He submitted a copy of the present statutes (exhibit I), and said that the law should have exempted the deaf and blind staff from conforming with these statutes, as they are already covered by the Board of Education. Their personnel must obtain certain specialized skills, i.e., sign language, speech, braile. Because of this recruiting for personnel, in 60 to 70 percent of the cases, is done on a regional or national level (exhibit II).

SB 58--SPONSOR: Carroll Graham, district 29, was represented by Senator Himsl, as he could not appear. This bill would require payment of Workmen's Compensation benefits under Plan III, the state plan, to operate under the experience rating system, and that actuarial figures be used in maintaining sound industrial insurance fund. Norm Grosfield, administrator, WCD, said that the division had planned to do this in the future. Jim Murry, AFL-CIO, siad this bill would encourage industrial safety in plants, by basing their employment on an experience rating.

SB 114--SPONSOR: John Mehrens, district 45, said this bill was by request of the Workmen's Comp. Division. Norm Grosfield, administrator, WCD, said that this was an advisory council bill, allowing the insurer to pay total-temporary benefits before the hearing was held. This would allow the claimant to have the hearing in his requested area (see exhibit IV). Jim Murry, AFL-CIO, said their concern was to get the benefits to the claimant as soon as possible. George Wood, MT Self-Insurers Assn., also supported the bill.

SB 386--SPONSOR: Chet Blaylock, Laurel, said this bill would remove the limitations on assessment amounts to self-insurers (Plan I under Workmen's Compensation) and private companies. WC Division should be able to charge a fair assessment to all three plans, based on proper accounting and cost allocation procedures. Presently, Plan III is the only one without a limitation. Norm Grosfield, administrator, WCD, said this would be in line with the legislative audit report. Plans I and II are presently assessed on a set statutory fee and Plan III picks up the rest. Jim Murphy, WCD,

Their being no further testimony, the committee went into executive discussion.

SB 119--MAGONE MOVED SB 119 BE CONCURRED IN, SECONDED BY JOHNSON. MOTION CARRIED UNANIMOUSLY.

SB 340--BABCOCK MOVED SB 340 BE CONCURRED IN, SECONDED BY ELLERD. MOTION CARRIED UNANIMOUSLY.

SB 58--JOHNSON MOVED SB 58 BE CONCURRED IN, SECONDED BY KELLY. MOTION CARRIED UNANIMOUSLY.

SB 385--BABCOCK MOVED THAT THE AMENDMENTS SUBMITTED BY GEORGE WOOD BE CONCURRED IN, SECONDED BY ELLERD. Johnson opposed the amendments as he felt they gutted the bill. In its original form, the bill would bring equity in sharing the financial burdens that are subject to all three plans. MOTION FAILED WITH ELLERD, GUTHRIE, SIVERTSEN AND BABCOCK IN FAVOR, AND ALL OTHERS OPPOSED.

JOHNSON MOVED SB 385 BE CONCURRED IN, SECONDED BY KELLY. MOTION CARRIED WITH ALL IN FAVOR EXCEPT GUTHRIE, ELLERD, SIVERTSEN, AND BABCOCK OPPOSED.

SB 114--BABCOCK MOVED SB 114 BE CONCURRED IN, SECONDED BY ELLERD. MOTION CARRIED UNANIMOUSLY.

There being no further business, the meeting was adjourned to reconvene March 12, 1975.

GARY N. KIMBLE, Chairman

Gloria Wong, Secretary

SB 114

3-10-75

MEMORANDUM

A BILL ALLOWING THE DIVISION OF WORKMEN'S COMPENSATION TO ORDER INSURERS TO PAY BENEFITS SUBJECT TO A SUBSEQUENT HEARING

The Governor's Workmen's Compensation Advisory Council drafted the proposed bill allowing the Division to order an insurer to pay biweekly compensation benefits prior to a hearing. Under the present Workmen's Compensation Act, the Division cannot order an insurance company to take action prior to a hearing. Under the present system, if a dispute arises concerning compensation payments, the Division must set the case for hearing and must hear testimony before an order directing compensation payments can be made.

The Advisory Council believes that the Division should have the authority in appropriate cases to order payments before the hearing. There are instances when disputes arise concerning compensation payments and a certain time lag exists between the request for a hearing and an order awarding compensation subsequent to the hearing. Thus, at the present time, a claimant in desperate need of workmen's compensation benefits may have to wait several weeks before the issues involved in the dispute can be resolved.

The Advisory Council felt that if a claimant could adequately illustrate upon written request that he was in desperate need of compensation benefits, compensation benefits could be initiated upon an order of the Division prior to a hearing.

The bill allows an insurer to recover such payments from the claimant if it is ultimately found after a hearing that the insurer was not liable for the payments.

SENATE BILL NO. 114

INTRODUCED BY MEHRENS

(BY REQUEST OF WORKMEN'S COMPENSATION DIVISION)

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DIVISION OF WORKMEN'S COMPENSATION TO ORDER INSURERS TO PAY WORKMEN'S COMPENSATION BENEFITS SUBJECT TO A SUBSEQUENT HEARING, AND SUBJECT TO REIMBURSEMENT FOR NONLIABILITY."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. There is a new R.C.M. section numbered 92-617 that reads as follows:

92-617. Payments by insurer prior to a hearing -- reimbursement. If an insurer terminates biweekly compensation benefits and the termination of compensation benefits is disputed by the claimant, the division may, upon written request, order an insurer to pay additional biweekly compensation benefits prior to a hearing; but in no event may the biweekly compensation benefits be ordered to be paid under this section for a period exceeding forty-nine (49) days or for any period subsequent to the date of a hearing. If after a hearing it is held that the insurer was not liable for the compensation payments ordered by the division, the insurer has the right to be reimbursed for such payments by the claimant.

-End- REFERENCE BILL

SB 114